



**GOVERNING BOARD AGENDA ITEM  
AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10**

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**DATE OF MEETING:**       **June 21, 2016**

**TITLE:**           **CONSIDERATION OF AND, IF DEEMED ADVISABLE, ADOPTION OF, A RESOLUTION ORDERING AND CALLING A SPECIAL BOND ELECTION TO BE HELD IN AND FOR AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10 OF PIMA COUNTY, ARIZONA, ON NOVEMBER 8, 2016; PROVIDING FOR THE CONDUCT OF THE ELECTION, SETTING A DEADLINE TO SUBMIT ARGUMENTS "FOR" OR "AGAINST" THE BONDS, THE PRINTING OF BALLOTS, THE CANVASSING OF THE ELECTION AND AUTHORIZING THE DISTRICT'S CHIEF FINANCIAL OFFICER AS THE OFFICER TO COMPLY WITH SECTIONS 103 AND 141 THROUGH 150 OF THE INTERNAL REVENUE CODE**

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**BACKGROUND:**

At the May 3, 2016 Board meeting, Executive Manager for Operational Support Jim Burns outlined the current condition of district facilities and their future capital needs. During his presentation to the Board, he reviewed the data from the Facility Condition Assessment (FCA) which was performed at all district facilities to determine the condition of each element of the capital improvements of each facility. Using the Facility Condition Index (FCI), which is a measure used to represent the *current* physical condition of a facility as compared to its replacement value, district facilities are currently rated in an overall “fair” condition, with some elements already in need of repair or replacement. And, as the FCI also demonstrates, many elements within the District’s facilities are fast approaching failure rates absent repair or replacement.

That reality is, of course, impossible for the District to address given current state funding of school district capital needs. State funding for the capital needs of the District for the current fiscal year was just over \$800,000 – down from \$7,753,870 in Fiscal Year 201, after millions of dollars in state cuts.

As we know, however, the disparity between the capital needs of the District and state funding is not solely attributable to budget cuts over the last several years. School district capital funding received from the State of Arizona has long been eclipsed by actual needs, often leaving districts dependent upon their bonding capacity to provide adequate facilities for their students. Indeed, as Mr. Burns emphasized, the one-year disparity (in 2015) between the true needs of the District for replacements of life-cycle expired building systems and capital repairs and renovations, and the actual capital funding received by the District in 2015 approximates \$17,001,188.

The same capital funds which the District receives for facility improvements and maintenance must also now be used to meet the needs of the District for fixtures, furniture and equipment, including technology needs. Mr. Little, in his presentation on June 7, provided details on the costs involved in simply updating district computers every five (5) years (at the high end of the industry standard; that cost is \$1,200,000 - \$400,000 more than the District (again) is currently receiving for all capital needs of the District.

The capital needs of the District, its schools and its students cannot be met even to the slightest degree with the capital funding provided by the State of Arizona. To even approach the level of funding necessary for annual maintenance and improvement of district facilities as well as that necessary to support the educational growth of the district’s students, the administration recommends the Board call for a bond election.

A resolution ordering, calling for, and providing notice of a special bond election for the November 8, 2016 general election has been prepared and is attached.

The Board's consideration and possible action on this item is the first step in the election process. There are many more steps to follow, which are detailed in the attached calendar of events prepared by the Pima County School Superintendent's office.

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**RECOMMENDATION:**

Based upon the serious capital needs of the District as previously detailed in the reports presented to the Board at the May 3 and June 7, 2016 Board Meetings, the Administration recommends that the Governing Board pass and adopt the attached form of resolution, calling for and ordering a special bond election on November 8, 2016, and delineating other matters as set forth in the title of this agenda item.

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**INITIATED BY:**



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Todd A. Jaeger, Associate to the Superintendent

Date: June 15, 2016



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Patrick Nelson, Superintendent